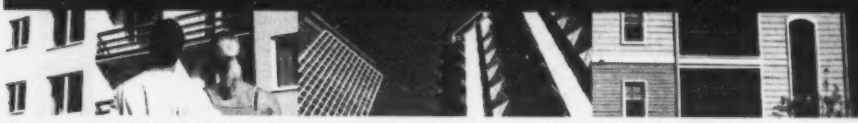
HOUSING MARKET INFORMATION

RENTAL MARKET REPORT

Canada Highlights



CANADA MORTGAGE AND HOUSING CORPORATION

Date Released: Fall 2011

Figure 1

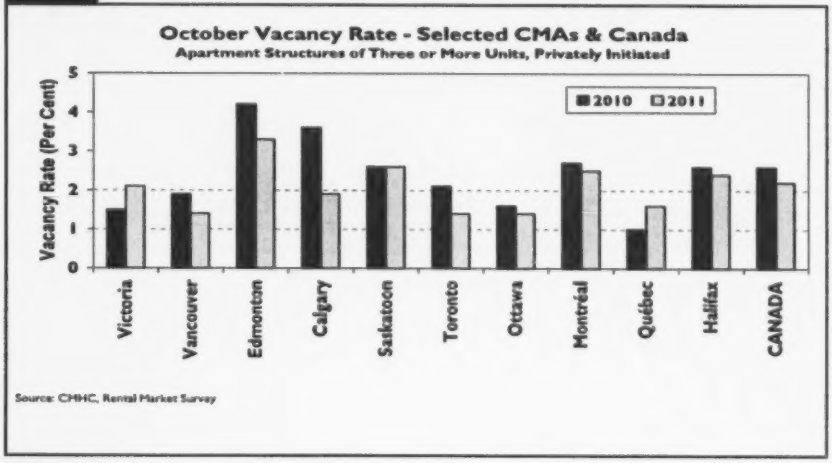
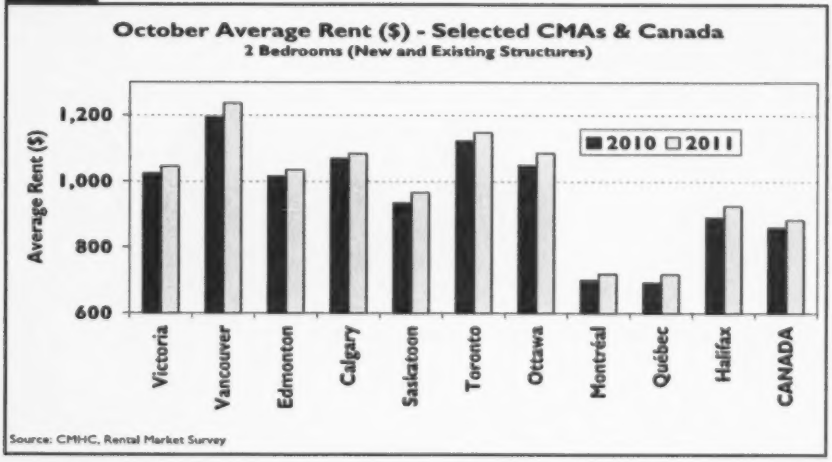


Figure 2



Highlights

- The average rental apartment vacancy rate in Canada's 35 major centres[1] decreased to 2.2 per cent in October 2011 from 2.6 in October 2010.
- The Canadian average two-bedroom rent was $883 in October 2011.
- The average rent for two-bedroom apartments in existing structures across Canada's 35 major centres increased 2.2 per cent between October 2010 and October 2011.
- Rental apartment completions moved slightly lower in the first nine months of 2011 compared to the same period in 2010. This, combined with steady demand for rental housing pushed Canada's vacancy rate downward.

[1]Major centres are based on Statistics Canada Census Metropolitan Areas (CMAs) with the exception of the Ottawa-Gatineau CMA which is treated as two centres for Rental Market Survey purposes and Charlottetown which is a Census Agglomeration (CA).

Canada

Housing market intelligence you can count on

CMHC SCHL
HOME TO CANADIANS

National rental vacancy rate decreased to 2.2 per cent in October 2011 from 2.6 per cent in October 2010

The average rental apartment vacancy rate in Canada's 35 major centres[2] decreased to 2.2 per cent in October 2011 from 2.6 in October 2010.

Higher levels of employment in the under 25 years of age group, which likely increased household formation among young adults, increased rental housing demand. Young adults are predominantly renters. During the last 12 months, growth in full-time employment of the under 25 years age group has been higher than growth in full-time employment of the 25 years and older age group. Immigration continues to be a factor in supporting demand for rental units. Although immigration has been moderating compared to the peak of 2008, it remains elevated by historical standards. Typically, new immigrants tend to rent first and then move to homeownership.

Rental apartment completions moved slightly lower in the first nine months of 2011 compared to the same period in 2010. This combined with steady demand for rental housing pushed Canada's vacancy rate downward.

The balance of these forces varied regionally. Decreases in vacancy rates occurred in 23 of 35 centres, while no change was experienced in 2 centres and increases occurred in 10.

Vacancy rates vary greatly across the country

The major centres with the lowest vacancy rates in October 2011 were Regina, (0.6 per cent), Winnipeg, Kingston and Guelph (1.1 per cent), and St. John's (1.3 per cent). The major centres with the highest vacancy rates were Windsor (8.1 per cent), Abbotsford (6.7 per cent), Saint John (5.9 per cent), Sherbrooke (4.7 per cent), and Moncton (4.3 per cent).

Provincially, the lowest vacancy rates were in Manitoba (1.0 per cent), Newfoundland and Labrador (1.3 per cent), Saskatchewan (1.9 per cent), and Ontario (2.2 per cent). The provinces with the highest vacancy rates were New Brunswick (4.8 per cent) and Alberta (3.4 per cent).

Rents for two-bedroom apartments increased at a similar rate as last year

The Canadian average two-bedroom rent was up from $860 in October 2010 to $883 in October 2011.

With respect to the CMAs, the highest average monthly rents for two-bedroom apartments in new and existing structures in Canada's major centres were in Vancouver ($1,237), Toronto ($1,149), Ottawa ($1,086), Calgary ($1,084), Victoria ($1,045), Edmonton ($1,034) and Barrie ($1,001). These are the only major centres with average rents at or above $1,000 per month. The lowest average monthly rents for two-bedroom apartments were in Trois-Rivières ($547), Saguenay ($557), and Sherbrooke ($577).

Provincially, the highest average monthly rents were in British Columbia ($1,050), Alberta ($1,044), and Ontario ($1,002), while the lowest monthly rents were in Québec ($684), New Brunswick ($687) and Newfoundland and Labrador ($701).

Cautionary Note

In the report, comparisons between the results of the October 2011 rental market survey and the April 2011 survey were avoided. A key reason for this is that changes in rents, vacancy rates, and availability rates between the spring and the fall may not be solely attributable to changes in rental market conditions; they could also reflect seasonal factors. For example, if more people tend to move in the spring than in the fall, it could have an impact on vacancy and availability rates as well as the level of rents. Alternatively, in centres where there are a significant number of university students, vacancy and availability rates could be higher in the spring if students move home for the summer. To the extent that these types of seasonal variations exist, comparing results from the spring and fall Rental Market Surveys could lead to incorrect conclusions about trends in rental market conditions. To avoid this, we have limited our analysis to the results of our fall Rental Market Survey, comparing results for 2010 and 2011, as well as different centres across Canada.

[2] The Fall survey covers apartment and row structures containing at least three rental units and, unlike the Spring survey, reports information on:
a) Smaller geographic zones within centres; b) Secondary rental market (rented condominiums, single detached, semi-detached, duplexes or accessory apartments).

Overall, the average rent for two-bedroom apartments in existing structures across Canada's 35 major centres increased 2.2 per cent between October 2010 and October 2011[3], a similar pace of rent increase to what was observed between October 2009 and October 2010 (2.4 per cent) and roughly in line with inflation (2.9 per cent).

The major centres with the largest increase in average rent were Regina (6.2 per cent), St. John's (5.4 per cent), and Winnipeg (4.2 per cent). These increases reflect the tight rental market conditions prevailing in these CMAs. Average rents in existing structures decreased in Kelowna (-0.5 per cent) and increased in Windsor (0.4 per cent), London (0.8 per cent), Guelph and Edmonton (0.9 per cent) by less than one per cent.

Availability rates decreased nationally

The average rental apartment availability rate in Canada's 35 major centres was 3.2 per cent in October 2011 down from 3.8 per cent in October 2010[4].

Availability rates were highest in Windsor (9.2 per cent), Abbotsford (7.5 per cent), Saint John (6.7 per cent), and Hamilton (6.2 per cent). The lowest rates were in Regina (0.9 per cent), Winnipeg (1.6 per cent), and Saguenay (1.7 per cent).

Secondary Rental Market

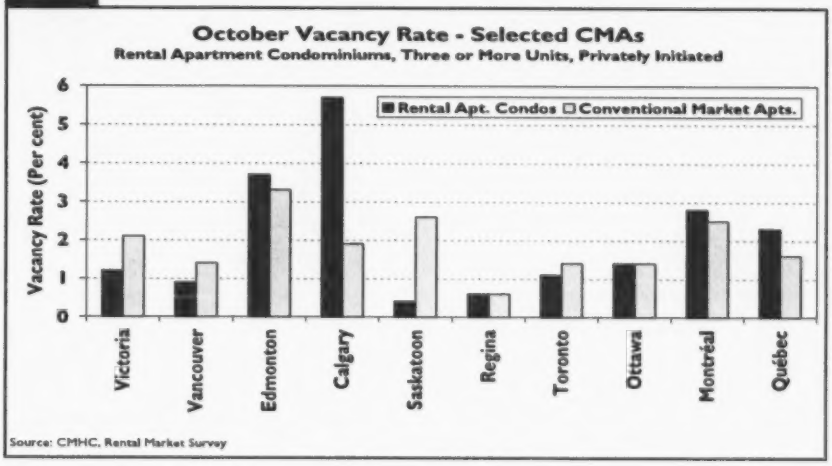
CMHC's October 2011 Rental Market Survey also covers condominium apartments[5] offered for rent in Victoria, Vancouver, Calgary, Edmonton, Regina, Saskatoon, Winnipeg, Toronto, Ottawa, Montréal, and Québec. Vacancy rates for rental condominium apartments were 2.0 per cent or below in 7 of the 11 centres surveyed.

Rental condominium vacancy rates were the lowest in Saskatoon (0.4 per cent), Regina (0.6 per cent), and Vancouver (0.9 per cent).
The highest vacancy rates for rental condominium apartments occurred in Calgary (5.7 per cent), Edmonton (3.7 per cent), and Montréal (2.8 per cent).

The current survey showed that vacancy rates for rental condominium apartments were lower than vacancy rates in the conventional rental market in Saskatoon, Victoria, Vancouver, and Toronto. This reflects, in part, a shift in demand toward rental condominiums. Historically, the vacancy rates for rental condominiums have been higher than those for conventional apartments.

The highest average monthly rents for two-bedroom condominium apartments were in Vancouver ($1,663), Toronto ($1,608), Calgary ($1,460), Victoria ($1,277) and Ottawa ($1,235). The lowest monthly rents for two-bedroom condominium apartments were in Québec ($907) and Montréal ($1,075).

Figure 3



[3]Year-over-year comparison of average rents can be slightly misleading because rents in newly built structures tend to be higher than in existing buildings. By excluding new structures, we can get a better indication of actual rent increases paid by tenants. See Technical Note on page 8.

[4]A rental unit is considered available if the unit is vacant (physically unoccupied and ready for immediate rental), or if the existing tenant has given or received notice to move and a new tenant has not signed a lease.

[5]The remaining secondary rental market (excluding condominiums) includes the following types of units:
- rented single-detached houses;
- rented double (semi-detached) houses;
- rented freehold row/town houses;
- rented duplex apartments;
- rented accessory apartments;
- rented apartments which are part of a commercial or other type of structure containing one or two dwelling units.

The remaining secondary rental market (excluding condominiums) was surveyed in the following centres: Abbotsford, Barrie, Calgary, Edmonton, Halifax, Kelowna, Montréal, Ottawa, Québec, St. John's, Toronto, and Vancouver.

All surveyed centres posted average monthly rents for two-bedroom condominium apartments that were higher than average monthly rents for two-bedroom private apartments in the conventional rental market. The condominium market is, in general, more expensive than conventional apartments. This is largely due to the fact that condominiums typically have more amenities and are newer.

The percentage of condominium units that are being rented increased in 6 of the 10 centres surveyed in October 2011. Regina, Saskatoon and Toronto had the largest changes. Regina increased from 15.2 per cent in October 2010 to 23.2 per cent in October 2011, Saskatoon from 19.5 per cent to 22.4 per cent, while Toronto increased from 19.8 to 22.2 per cent over the same time frame. The largest decreases occurred in Québec and Calgary which decreased from 8.1 per cent to 6.3 per cent and from 27.6 per cent to 26.2 per cent, respectively.

Rental affordability expected to rise in seven out of twenty-five centres in 2011

CMHC produces a local rental affordability indicator to gauge how affordable a rental market is for those households which rent within that market. A generally accepted rule of thumb for affordability is that a household should spend less than 30 per cent of its gross income on housing.

This indicator examines the median income of renter households and compares it to the median rent for a two-bedroom apartment in the centre in which they live. Because of data availability, the income is forecast for the two most recent years, which explains estimated data for the year 2010. An indicator value of 100 indicates that 30 per cent of the median income of renter households is necessary to rent a two-bedroom apartment going at the median rent. As the rental affordability indicator increases, the market becomes more affordable; as the indicator declines, the market becomes less affordable.

The level of a household's income and the level of rents determine affordability, which varies in different markets in different parts of the country. Between 2010 and 2011, the affordability indicator is estimated to have increased in seven centres. Conversely, it is estimated to have decreased in 15 centres and remained the same in 3 centres. Gatineau (up 5.0 per cent to 146), Calgary (up 4.6 per cent to 114), and Ottawa (up 3.9 per cent to 105) recorded the strongest affordability index increases. This means that these centres are estimated to have become more affordable over the past year. On the other hand, Oshawa (minus 8.6 per cent to 85), London (minus 5.9 per cent to 96), and Thunder Bay (minus 3.4 per cent to 85) recorded the largest decreases in affordability (see Table 6.0 on page 8). ■

1.0 Rental Market Indicators
Privately Initiated Apartment Structures of Three Units and Over
Provinces and Major Centres[1]

Centres	Vacancy Rates (%)		Availability Rates (%)		Average Rent 2 Bedroom ($) (New and existing structures)		Percentage Change of Average Rent Two Bedroom [2] From Fixed Sample (Existing structures only)	
	Oct-10	Oct-11	Oct-10	Oct-11	Oct-10	Oct-11	Oct-09 to Oct-10	Oct-10 to Oct-11
Newfoundland & Labrador 10,000+	**1.0** a	**1.3** a	**1.2** a	**1.6** a	**668** a	**701** a	**7.2** a	**5.0** a
St. John's CMA	1.1 a	1.3 a	1.4 a	1.8 a	725 a	771 a	8.9 a	5.4 a
Prince Edward Island 10,000+	**2.2** a	**2.9** a	**3.1** b	**4.0** a	**719** a	**745** a	**2.5** a	**2.2** a
Charlottetown CA	2.3 a	3.3 a	3.4 b	4.5 a	731 a	761 a	2.1 a	2.4 a
Nova Scotia 10,000+	**2.9** a	**2.7** a	**3.6** a	**3.3** a	**851** a	**882** a	**3.0** a	**1.7** b
Halifax CMA	2.6 a	2.4 a	3.3 a	3.1 a	891 a	925 a	2.9 a	1.7 b
New Brunswick 10,000+	**4.5** a	**4.8** a	**5.2** a	**5.3** a	**668** a	**687** a	**2.2** a	**2.2** a
Moncton CMA	4.2 a	4.3 a	5.5 a	4.9 a	691 a	715 a	2.0 a	1.8 a
Saint John CMA	5.1 a	5.9 a	5.7 a	6.7 a	645 a	670 a	2.6 a	3.1 b
Québec 10,000+	**2.7** a	**2.6** a	**3.2** a	**3.0** a	**666** a	**684** a	**2.9** a	**2.6** a
Ottawa-Gatineau CMA (Que. Part)	2.5 a	2.2 a	3.1 b	2.8 a	711 a	731 a	2.2 a	2.0 a
Montréal CMA	2.7 a	2.5 a	3.2 a	3.0 a	700 a	719 a	3.1 b	2.5 a
Québec CMA	1.0 a	1.6 a	1.2 a	1.8 a	692 a	718 a	2.6 a	3.0 b
Saguenay CMA	1.8 a	1.4 a	2.1 a	1.7 a	535 a	557 a	2.1 b	3.5 c
Sherbrooke CMA	4.6 a	4.7 a	4.8 a	4.9 a	566 a	577 a	2.6 a	1.5 a
Trois-Rivières CMA	3.9 a	3.9 b	4.3 a	4.1 b	533 a	547 a	2.2 b	2.8 a
Ontario 10,000+	**2.9** a	**2.2** a	**4.7** a	**3.8** a	**980** a	**1,002** a	**1.9** a	**1.8** a
Barrie CMA	3.4 a	1.7 b	5.8 a	3.4 b	968 a	1,001 a	++	3.0 c
Brantford CMA	3.7 b	1.8 a	5.7 b	3.1 b	778 a	792 a	2.1 c	++
Greater Sudbury CMA	3.0 b	2.8 a	4.0 b	3.0 b	840 a	881 a	2.6 c	**
Guelph CMA	3.4 a	1.1 a	6.0 a	2.1 a	887 a	903 a	0.9 a	0.9 a
Hamilton CMA	3.7 a	3.4 a	6.8 a	6.2 a	862 a	884 a	1.0 a	1.5 a
Kingston CMA	1.0 a	1.1 a	1.8 a	2.2 a	935 a	965 a	3.2 a	1.6 a
Kitchener-Cambridge-Waterloo CMA	2.6 a	1.7 a	4.5 a	3.4 a	872 a	889 a	1.6 a	1.5 a
London CMA	5.0 a	3.8 a	7.4 a	5.8 a	869 a	881 a	1.1 a	0.8 a
St. Catharines-Niagara CMA	4.4 a	3.2 a	6.1 a	5.3 a	817 a	833 a	1.9 a	1.5 a
Oshawa CMA	3.0 a	1.8 a	4.6 a	3.2 a	903 a	941 a	0.8 a	2.0 b
Ottawa-Gatineau CMA (Ont. Part)	1.6 a	1.4 a	3.4 a	3.2 a	1,048 a	1,086 a	3.7 a	2.3 a
Peterborough CMA	4.1 c	3.5 a	6.4 a	4.8 a	890 a	899 a	1.7 b	2.0 b
Thunder Bay CMA	2.2 a	1.7 a	2.7 a	2.9 a	763 a	772 a	2.4 a	2.9 a
Toronto CMA	2.1 a	1.4 a	3.9 a	2.9 a	1,123 a	1,149 a	1.9 a	1.9 a
Windsor CMA	10.9 a	8.1 a	12.5 a	9.2 a	752 a	753 a	-0.4 b	0.4 b

[1]Major centres refer to Census Metropolitan Areas (CMA), except for Charlottetown.

[2]The Percentage Change of Average Rent is a measure of the market movement, and is based on those structures that were common to the survey sample for both years.

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
** Data suppressed to protect confidentiality or data not statistically reliable.
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Please click Methodology or Data Reliability Tables Appendix link for more details

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Privately Initiated Apartment Structures of Three Units and Over
Provinces and Major Centres[1]

Centres	Vacancy Rates (%)		Availability Rates (%)		Average Rent 2 Bedroom ($) (New and existing structures)		Percentage Change of Average Rent Two Bedroom [2] From Fixed Sample (Existing structures only)	
	Oct-10	Oct-11	Oct-10	Oct-11	Oct-10	Oct-11	Oct-09 to Oct-10	Oct-10 to Oct-11
Manitoba 10,000+	**0.9** a	**1.0** a	**1.5** a	**1.5** a	**815** a	**850** a	**4.3** b	**4.0** b
Winnipeg CMA	0.8 a	1.1 a	1.4 a	1.6 a	837 a	875 a	4.5 b	4.2 b
Saskatchewan 10,000+ [3]	**2.5** a	**1.9** a	**3.3** a	**2.7** a	**872** a	**913** a	**5.4** a	**4.6** a
Regina CMA	1.0 a	0.6 a	1.5 a	0.9 a	881 a	932 a	6.3 a	6.2 a
Saskatoon CMA	2.6 a	2.6 a	3.8 a	4.0 a	934 a	966 a	4.0 a	2.8 a
Alberta 10,000+ [4]	**4.6** a	**3.4** a	**6.1** a	**4.4** a	**1,036** a	**1,044** a	**-0.9** a	**1.3** a
Calgary CMA	3.6 a	1.9 a	5.8 a	3.2 a	1,069 a	1,084 a	-2.7 a	1.9 a
Edmonton CMA	4.2 a	3.3 a	5.3 a	4.3 a	1,015 a	1,034 a	++	0.9 a
British Columbia 10,000+	**2.7** a	**2.4** a	**3.6** a	**3.3** a	**1,019** a	**1,050** a	**2.6** a	**2.2** a
Abbotsford CMA	6.5 a	6.7 a	7.7 a	7.5 a	785 a	800 a	0.6 a	2.6 a
Kelowna CMA	3.5 a	3.0 a	4.5 a	4.0 a	898 a	922 a	++	-0.5 b
Vancouver CMA	1.9 a	1.4 a	2.7 a	2.1 a	1,195 a	1,237 a	3.1 a	2.4 a
Victoria CMA	1.5 a	2.1 a	2.6 a	3.3 a	1,024 a	1,045 a	2.6 a	2.4 a
Canada CMAs (1)	2.6 a	2.2 a	3.8 a	3.2 a	860 a	883 a	2.4 a	2.2 a
Canada 10,000+	2.9 a	2.5 a	3.9 a	3.4 a	835 a	856 a	2.3 a	2.2 a

[1]Major centres refer to Census Metropolitan Areas (CMA), except for Charlottetown.

[2]The Percentage Change of Average Rent is a measure of the market movement, and is based on those structures that were common to the survey sample for both years.

[3]Includes both Alberta and Saskatchewan portions of Lloydminster CA.

[4]Does not include Alberta portion of Lloydminster CA. For Lloydminster CA data, refer to Saskatchewan Highlights report.

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4.1 Rental Condominium Apartments and Private Apartments in the RMS
Vacancy Rates (%), Average Rents ($) and Percentage of Condominium Apartments in Rental
Oct-11

Centres	Vacancy Rates (%)		Average Rent ($)		Percentage of Condo Apts in Rental vs. Ownership
			2 Bedroom		
	Rental Condo Apts	Apts in the RMS	Rental Condo Apts	Apts in the RMS[1]	
Calgary CMA	5.7 c	1.9 a	1,460 c	1,084 a	26.2 a
Edmonton CMA	3.7 c	3.3 a	1,164 b	1,034 a	28.5 a
Montréal CMA	2.8 a	2.5 a	1,075 b	719 a	9.3 a
Ottawa-Gatineau CMA (Ont. Part)	1.4 a	1.4 a	1,235 b	1,086 a	19.3 a
Québec CMA	2.3 b	1.6 a	907 b	718 a	6.3 a
Regina CMA	0.6 a	0.6 a	n/a	932 a	23.2 c
Saskatoon CMA	0.4 a	2.6 a	n/a	966 a	22.4 a
Toronto CMA	1.1 a	1.4 a	1,608 a	1,149 a	22.2 a
Vancouver CMA	0.9 a	1.4 a	1,663 b	1,237 a	25.7 a
Victoria CMA	1.2 a	2.1 a	1,277 b	1,045 a	20.0 a
Winnipeg CMA	1.8 c	1.1 a	917 c	875 a	13.8 c

4.2 Rental Condominium Apartments
Vacancy Rates (%), Average Rents ($) and Percentage of Condominium Apartments in Rental

Centres	Vacancy Rates (%)		Average 2 Bedroom Rent ($)		Percentage of Condominium Apartments in Rental vs Ownership	
	Oct-10	Oct-11	Oct-10	Oct-11	Oct-10	Oct-11
Calgary CMA	5.2 c	5.7 c	1,385 b	1,460 c	27.6 a	26.2 a
Edmonton CMA	5.2 b	3.7 c	1,050 b	1,164 b	28.7 a	28.5 a
Montréal CMA	4.2 b	2.8 a	1,144 c	1,075 b	9.4 a	9.3 a
Ottawa-Gatineau CMA (Ont. Part)	2.0 b	1.4 a	1,212 b	1,235 b	18.8 a	19.3 a
Québec CMA	1.7 a	2.3 b	952 b	907 b	8.1 a	6.3 a
Regina CMA	1.4 a	0.6 a	n/u	n/u	15.2 a	23.2 c
Saskatoon CMA	0.9 a	0.4 a	n/u	n/u	19.5 a	22.4 a
Toronto CMA	1.7 b	1.1 a	1,595 b	1,608 a	19.8 a	22.2 a
Vancouver CMA	2.2 b	0.9 a	1,610 b	1,663 b	24.7 a	25.7 a
Victoria CMA	1.6 a	1.2 a	**	1,277 b	19.3 a	20.0 a
Winnipeg CMA	n/u	1.8 c	n/u	917 c	n/u	13.8 c

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5.1 Other Secondary Rented Unit[1] Average Rents ($) by Dwelling Type

	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-10	Oct-11	Oct-10	Oct-11	Oct-10	Oct-11	Oct-10	Oct-11	Oct-10	Oct-11
Abbotsford CMA	n/s	n/s	**	**	712 c	655 c	1,109 a	1,094 b	869 b	840 b
Barrie CMA	**	n/s	773 b	**	950 b	1,043 c	1,165 a	1,225 a	1,081 a	1,138 a
Calgary CMA	n/s	n/s	**	**	1,044 b	1,091 b	1,236 a	1,285 a	1,141 a	1,187 a
Edmonton CMA	n/s	n/s	**	**	925 c	1,040 b	1,218 a	1,184 a	1,106 a	1,166 b
Halifax CMA	n/s	n/s	761 d	**	764 b	947 c	921 b	933 b	846 b	900 b
Kelowna CMA	n/s	n/s	644 c	730 d	1,025 b	936 b	1,302 b	1,327 a	1,106 b	1,100 b
Montréal CMA	n/s	**	528 b	538 b	666 a	674 a	795 a	862 b	689 a	713 a
Ottawa-Gatineau CMA (Ont. Part)	**	n/s	**	**	998 b	1,152 c	1,144 b	1,148 b	1,072 a	1,134 b
Québec CMA	n/s	n/s	492 b	534 c	666 b	649 b	732 b	729 b	648 b	656 b
Regina CMA	n/s	n/s	**	656 d	783 b	851 b	876 b	976 b	832 b	908 a
St. John's CMA	**	n/s	**	581 c	614 b	725 b	724 c	760 b	676 b	711 b
Saskatoon CMA	n/s	n/s	546 d	**	846 c	920 c	1,055 b	1,095 b	952 b	1,017 b
Toronto CMA	n/s	**	799 b	786 c	1,246 c	1,196 c	1,329 b	1,313 b	1,201 b	1,177 b
Vancouver CMA	**	n/s	718 b	**	1,050 c	1,078 b	1,430 b	1,419 b	1,149 b	1,168 b
Victoria CMA	**	n/s	769 c	716 d	1,012 b	1,020 b	1,253 b	1,300 b	1,037 b	1,059 b

[1] Statistics for secondary rented units exclude apartments in purpose built rental structures with three rental units or more, condominium apartments, units in institutions, and any dwelling whose type could not be identified in the survey.

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):

a – Excellent (0 [cv [2.5), b – Very good (2.5 < cv [5), c – Good (5 < cv [7.5)

d – Fair (Use with Caution) (7.5 < cv [10)

** Data suppressed to protect confidentiality or data is not statistically reliable

n/u: No units exist in universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix links for more details

6.0 Rental Affordability Indicator

Centres	2010E*	2011E*
Calgary	109	114
Edmonton	117	121
Halifax	104	101
Hamilton	105	104
Kitchener	110	109
London	102	96
Montréal	131	129
Oshawa	93	85
Ottawa	101	105
Gatineau	139	146
Québec	122	122
Regina	89	91
Saguenay	139	139
Saint John	128	126
Saskatoon	88	91
Sherbrooke	122	120
St. Catharines-Niagara	97	95
St. John's	84	82
Sudbury	92	91
Thunder Bay	88	85
Toronto	93	92
Vancouver	87	85
Victoria	92	92
Windsor	93	94
Winnipeg	93	91

* Estimate

TECHNICAL NOTE:

Difference between Percentage Change of Average Rents (Existing and New Structures) AND Percentage Change of Average Rents from Fixed Sample (Existing Structures Only):

Percentage Change of Average Rents (New and Existing Structures): The increase/decrease obtained from the calculation of percentage change of average rents between two years (example: $500 in the previous year vs. $550 in current survey represents an increase of 10 percent) is impacted by changes in the composition of the rental universe (e.g. the inclusion of newly built luxury rental buildings in the survey, rental units renovated/upgraded or changing tenants could put upward pressure on average rents in comparison to the previous year) as well as by the rent level movement (e.g. increase/decrease in the level of rents that landlords charge their tenants).

Percentage Change of Average Rents from Fixed Sample (Existing Structures Only): This is a measure that estimates the rent level movement. The estimate is based on structures that were common to the survey sample for both the previous year and the current Rental Market Surveys. However, some composition effects still remain e.g. rental units renovated/upgraded or changing tenants because the survey does not collect data to such level of details.

METHODOLOGY FOR RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts the **Rental Market Survey** (RMS) every year in April and October to estimate the relative strengths in the rental market. The survey is conducted on a sample basis in all urban areas with populations of 10,000 and more. The survey targets only privately initiated structures with at least three rental units, which have been on the market for at least three months. The survey collects market rent, available and vacant unit data from sampled structures. Most RMS data contained in this publication refer to privately initiated apartment structures.

The survey is conducted by a combination of telephone interviews and site visits, and information is obtained from the owner, manager, or building superintendent. The survey is conducted during the first two weeks of April/October, and the results reflect market conditions at that time.

CMHC's Rental Market Survey provides a snapshot of vacancy and availability rates, and average rents in both new and existing structures. In October 2006, CMHC introduced a new measure for the change in rent that is calculated based on existing structures only. This estimate is based on structures that were common to the survey sample the previous year and the current year of the Rental Market Survey. The change in rent in existing structures is an estimate of the change in rent that the landlords charge and removes compositional effects on the rent level movement due to new buildings, conversions, and survey sample rotation. The estimate of per cent change in rent is available in the Rental Market Report – Canada Highlights , Provincial Highlights, and the local Rental Market Reports. The rent levels in new and existing structures are also published. While the per cent change in rents in existing structures published in the reports are statistically significant, changes in rents that one might calculate based on rent levels in new and existing structures may or may not be statistically significant.

METHODOLOGY FOR SECONDARY RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts a survey of the **Secondary Rental Market** (SRMS) in September and October to estimate the relative strengths in the secondary rental market which is defined as those dwellings not covered by the regular RMS. CMHC has identified the following dwelling components to be included in SRMS:

- Rented single-detached houses.
- Rented double (semi-detached) houses (i.e.. Two units of approximate equal size and under one roof that are situated either side-by-side or front-to-back).
- Rented freehold row/town homes.
- Rented duplex apartments (i.e.. one-above-other).
- Rented accessory apartments (separate dwelling units that are located within the structure of another dwelling type).
- Rented condominiums (can be any dwelling type but are primarily apartments).
- One or two apartments which are part of a commercial or other type of structure.

The SRMS has three components which are conducted in selected CMAs:

- A Household Rent Survey of all households to collect information about rents.
- A Condominium Apartment Rent Survey of households living in condominium apartments to collect information about rents.
- A Condominium Apartment Vacancy Survey of condominium apartment owners to collect vacancy information.

All three surveys are conducted by telephone interviews. For the condominium apartment vacancy survey, information is obtained from the owner, manager, or building superintendent and can be supplemented by site visits if no telephone contact is made. For the other two surveys, information is collected from an adult living in the household. All surveys are conducted in September and October, and the results reflect market conditions at that time.

CMHC publishes the number of units rented and vacancy rates for the condominium vacancy survey. For the condominium rent and household rent surveys, the average rent is published. A letter code representing the statistical reliability (i.e., the coefficient of variation (CV)) for each estimate is provided to indicate the data reliability. Rented condominium apartments were surveyed in the following CMAs: Vancouver, Victoria, Calgary, Edmonton, Regina, Saskatoon, Winnipeg, Toronto, Ottawa, Montréal and Québec (NOTE: condo rent data was not collected for Regina and Saskatoon). Other secondary rental market units were surveyed in Abbotsford, Barrie, Calgary, Edmonton, Halifax, Montréal, Ottawa, Québec, St. John's, Toronto, Winnipeg, Regina, Saskatoon, Kelowna, Vancouver and Victoria.

DEFINITIONS

Availability: A rental unit is considered available if the existing tenant has given, or has received, notice to move, and a new tenant has not signed a lease; or the unit is vacant (see definition of vacancy below).

Rent: The rent refers to the actual amount tenants pay for their unit. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking, and hot water. For available and vacant units, the rent is the amount the owner is asking for the unit.

It should be noted that the average rents reported in this publication provide a sound indication of the amounts paid by unit size and geographical sector. Utilities such as heating, electricity and hot water may or may not be included in the rent.

Rental Apartment Structure: Any building containing three or more rental units, of which at least one unit is not ground oriented. Owner-occupied units are not included in the rental building unit count.

Rental Row (Townhouse) Structure: Any building containing three or more rental units, all of which are ground oriented with vertical divisions. Owner-occupied units are not included in the rental building unit count. These row units in some centres are commonly referred to as townhouses.

Vacancy: A unit is considered vacant if, at the time of the survey, it is physically unoccupied and available for immediate rental.

Definitions of Census Areas referred to in this publication are as follows:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree of integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

All data presented in this publication is based on Statistics Canada's 2001 and 2006 Census area definitions.

Acknowledgement

The Rental Market Survey and the Secondary Rental Market Survey could not have been conducted without the cooperation of the rental property owners, managers, building superintendents and household members throughout Canada. CMHC acknowledges their hard work and assistance in providing timely and accurate information. As a result of their contribution, CMHC is able to provide information that benefits the entire housing industry.

Rental Affordability Indicator

Canada Mortgage and Housing Corporation has developed a rental affordability indicator to gauge how affordable a rental market is for those households which rent within that market. A centre's median income is divided by the level of income required for a household to rent a median priced two-bedroom apartment using 30 per cent of income. The result is then multiplied by 100. A value above 100 indicates that less than 30 per cent of the median income is required to rent a two-bedroom apartment, conversely, a value below 100 indicates that more than 30 per cent of the median income is required to rent the same unit. In general, as the indicator increases, the market becomes more affordable; as the indicator declines, the market becomes less affordable. For years for which the median income is not available, CMHC has developed forecasts.

Median renter household income estimates used in the calculation of the rental affordability indicator are based on results of Statistics Canada's Survey of Labour and Income Dynamics. Results for this survey are available from 1994 to 2009. CMHC has developed forecasts of median renter household income for 2010 and 2011. It should be noted that nominal values for both median rent and median incomes have been used to calculate the rental affordability indicator.

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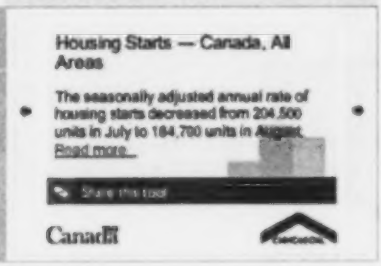
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